
TOO GOOD TO BE TRUE....

A Column on Consumer Issues

by Attorney General Wayne Stenehjem's
Consumer Protection and Antitrust Division

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IDENTITY THEFT IN NORTH DAKOTA

The Federal Trade Commission (FTC) has just released a report on the rapidly growing incidents of identity theft in America today. A recent survey conducted by the FTC shows that 27.3 million Americans have been victims of identity theft in the last five years, including 9.9 million people in the last year alone. According to the survey, last year's identity theft losses to businesses and financial institutions totaled nearly \$48 billion and consumer victims reported \$5 billion in out-of-pocket expenses.

The number of North Dakota identity theft victims has increased right along with the national trend. According to the survey, North Dakota identity theft victim's information was misused in the following ways:

- 43% Credit Card Fraud to open new accounts, access existing accounts;
- 19% Bank Fraud to access existing accounts, open new accounts, or electronic funds transfer;
- 15% Other Identity Theft including illegal/criminal acts, medical fraud, and Internet/e-mail fraud;
- 10% Phone or Utilities Fraud to open new wireless, utility, and telephone accounts or unauthorized access to existing accounts;
- 10% Government Documents or Benefits Fraud to have a driver's license issued, submit a fraudulent tax return, or apply for government benefits; and
- 5% Loan Fraud to apply for business/personal/student loan, auto loan/lease, or real estate loan.

The effects on victims of identity theft can be devastating, both financially and emotionally. There are a number of laws that limit consumer's liability if they are the victim of identity theft. However, not all costs are covered. The results of the survey show that if existing accounts of the victims were used as part of the theft, the per-victim dollar loss to both businesses and victims was less than if new accounts were opened in the victim's name.

Most victims discover they are victims of identity theft by monitoring their accounts. Some victims are alerted to suspicious account activity by credit card issuers or banks. Others first learned of the theft when they applied for credit and were turned down.

Attorney General Wayne Stenehjem stated "While identity theft has increased dramatically throughout the United States and in North Dakota, I am happy to report that North Dakota ranks last in identity thefts."

Watch for next week's edition of Too Good To Be True when we will have a quiz on your knowledge on identity theft. How will you score?

The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at www.ag.state.nd.us.

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